

**SHREWSBURY ELECTRIC
&
CABLE OPERATIONS**

COMMISSION MEETING

**April 25, 2005
9:00 AM**

MINUTES

**PRESENT: C. JEFFERSON, Jr., Chairman
R. LUTZ
A. TRIPPI
P. LYONS-GALLO**

ABSENT: S. DAVIS

OTHERS

**PRESENT: T. JOSIE
R. IACCARINO**

1. Approve Bill Schedules

The bill schedules were reviewed and approved as presented.

2. Minutes – Light Commission Meeting – April 4, 2005

A motion:

To approve the minutes of the April 4, 2005 Light Commission meeting was made by R. Lutz and seconded by A. Trippi.

Without further discussion, the minutes were approved as presented.

3. Cash Statements – March 2005

a. Electric

T. Josie presented the Electric March 2005 Cash Statements for the Commission's review.

b. CATV

T. Josie presented the CATV March 2005 Cash Statements for the Commission's review.

A motion:

To accept the March 2005 Cash Statements was made by R. Lutz and seconded by A. Trippi.

Without further discussion, the Cash Statements were accepted as presented.

4. SELCO Retirement Account – Funding Status

T. Josie presented a report created by M. Quitadamo outlining the past and current funding levels of the Light and Cable retirement accounts.

At one point, SELCO paid additional funds into the Light and Cable retirement accounts resulting in the pension fund being 110% funded. After September 11, 2001, the fund levels dropped to approximately 85%. Since that time, SELCO has made only the recommended payment of the normal annual cost each year. Fund levels have remained the same due to the lack of any notable upturns in the market. SELCO and the Town combined is about 79%.

The Commission agreed that the General Manager would return to the next Commission meeting with additional information including how much money SELCO is behind; at this current rate, an approximate date as to when the account will be fully funded; and another plan regarding funding the account in advance.

5. Potential Energy Contract

In keeping with a promise to inform the Commission of all potential power supply contracts, T. Josie presented an update of the status of a new contract with Wheelabrator (located in North Andover, MA) and MMWEC (SELCO) that will replace the National Grid contract that terminates in September 2005. Bids were submitted in April 15, 2005. Due to the quick turn-around potential contract, the General Manager was unable to inform the Commission before preliminary action was required.

He reported that after screening the bids, Wheelabrator will make a selection for final negotiations by June 1, 2005 and the contract will commence on September 25, 2005.

6. Policy – Securing Converters with a Credit Card

T. Josie recommended that the Light Commission adopt a policy that addresses lost CATV revenue when a CATV customer fails to return his/her equipment when they cancel their service. A converter box is worth approximately \$400. The policy would apply to property renters only.

He added that SELCO is reviewing other options available to ensure the return of CATV equipment, i.e. offering a reward for returned converters.

After further discussion,

A motion:

To approve the recommendation to require all property renters give a credit card and sign a contract authorizing SELCO to use that credit card in the event that the property renter does not return their Digital converter equipment, was made by A. Trippi and seconded by P. Lyons-Gallo.

Without further discussion, the motion was accepted.

Responding to a request from R. Lutz, T. Josie said that he would gather information, regarding losses last year, for the next Commission meeting.

7. Payments to the Town Survey

T. Josie presented existing survey information of payments made to cities or towns by the municipal light plants. The survey was conducted, by Wellesley Light Department, in 2004 for 2003 information and includes information from thirty of the forty municipal systems.

P. Lyons-Gallo suggested that the interest earned by the Town on SELCO funds be explicitly included in any and all reference to SELCO's payment to the Town of Shrewsbury.

8. ESPN Contract

T. Josie reported that specific terms, under SELCO's signed contract with ESPN, includes that ESPN, ESPN II, and ESPN Classic be "bunched" together (continuous) and carried on channels at or below Channel 36. This is problematic for SELCO because the ESPN suite would go from the Expanded Basic line-up down to the Basic line-up. Correct channel placement per the contract is due by July 2005.

At present, communication is ongoing with NCTC, regarding the contract, however the likelihood of SELCO having to move the channels is great along with the resulting upheaval of the Basic channel line-up.

Two options available to SELCO:

1. Move all of the ESPN channels to Basic and pay ESPN approximately \$56,000 for the additional 1,000 Basic customers.
2. Reduce Expanded Basic to Channel 33 and re-trap the entire system.

T. Josie will keep the Commission apprised.

9. Channel 3 and SELCO

In response to a question from R. Lutz concerning SELCO broadcasting programming on their Channel 3, from Charter Communications, T. Josie said that if Charter can strip its advertisements from their Channel 3 the programs, SELCO would consider broadcasting the programs.

He asked the Commission for their opinions regarding Charter advertising on SELCO's cable system.

P. Lyons-Gallo suggested that Charter put a SELCO advertisement on their system.

T. Josie will contact Charter, telling them that SELCO will take the programming on Channel 3 and Charter can give SELCO equal air time.

10. Fox Network/SELCO Scholarship Selection

Each Commissioner announced their top five/six selections out of a total of 61 applications.

After a further discussion,

A motion,

Grant the two \$500.00 Fox/SELCO 2004 scholarships to graduating Shrewsbury seniors, Erin Johnson - Shrewsbury High School and Thomas Mangan – Saint John's High School, was made by A. Trippi, and seconded by R. Lutz.

Without further discussion, the motion was voted unanimously.

The next Light Commission meeting is scheduled for Monday, May 23, 2005 at 7:00PM.

A motion:

To adjourn the Light Commission meeting was made by C. Jefferson, Jr. and seconded by R. Lutz.

Without further discussion, the motion was voted unanimously.

Respectfully submitted,

Anthony M. Trippi, Clerk
Shrewsbury's Light Commission